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FISCAL IMPACT STATEMENT

LS 7392

BILL NUMBER: HB 1569

NOTE PREPARED: Jan 18, 2011

BILL AMENDED:

SUBJECT: Emergency Communication Districts.

FIRST AUTHOR: Rep. Steuerwald

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
☐ **FEDERAL**

IMPACT: State & Local

Summary of Legislation: This bill authorizes two or more units to adopt an ordinance establishing an emergency communications services district (district). It requires one of the units to contain a public safety answering point (PSAP). It also requires all units to become a member of a district not later than July 1, 2015. This bill provides that a district may not contain more than one PSAP except under certain circumstances.

It also provides that the legislative body of the unit that provides emergency communications services to a district may certify a special assessment on property in the district for deposit in the district's emergency communications services fund. It specifies the purposes for which money in the fund may be spent.

This bill also allows a district to establish an emergency telephone notification system. It provides for the expiration on July 1, 2015, of the statutes concerning: (1) the local monthly enhanced emergency telephone system fee; (2) the statewide monthly wireless enhanced 911 fee; (3) the emergency telephone notification systems; (4) the establishment of a public safety communications system and computer facilities district in a county having a consolidated city; and (5) the establishment of a public safety communications systems district in certain other counties. It also specifies that funds remaining in: (1) the wireless emergency telephone system fund; (2) a county wireless emergency telephone system fund; or (3) a county or municipal wireline emergency telephone system fund; on July 1, 2015, are transferred proportionately to the appropriate emergency communications services funds. It also makes conforming amendments.

Effective Date: July 1, 2011; July 1, 2015.

Explanation of State Expenditures: *Penalty Provision:* This bill provides that a person who places repeated nonemergency 911 calls commits a Class D felony if the calls result in a delayed response to an emergency 911 call that results in injury or death. A Class D felony is punishable by a prison term ranging from six

months to three years or reduction to Class A misdemeanor depending upon mitigating and aggravating circumstances. Assuming offenders can be housed in existing facilities with no additional staff, the marginal cost for medical care, food, and clothing is approximately \$4,818 annually, or \$13.20 daily, per prisoner. However, any additional expenditures are likely to be small. The average length of stay in Department of Correction (DOC) facilities for all Class D felony offenders is approximately ten months.

The bill also provides that a communication service provider who violates certain provisions of the bill commits a Class A misdemeanor.

Explanation of State Revenues: *Penalty Provision:* If additional court cases occur and fines are collected, revenue to both the Common School Fund (from fines) and the state General Fund (from court fees) would increase. The maximum fine for a Class D felony is \$10,000. The maximum fine for a Class A misdemeanor is \$5,000. However, any additional revenue would likely be small.

Explanation of Local Expenditures: *Emergency Communication Services District:* This bill requires all local units (defined as a county or municipality) to become part of an emergency communications services district by July 1, 2015. This bill would increase local expenditures by an indeterminable amount. The increase in expenditures would depend on any start-up costs required to establish an emergency communication services district. Any increase in expenditures could be offset to some extent by fees deposited in the emergency communications services district fund.

Penalty Provision: If more defendants are detained in county jails prior to their court hearings, local expenditures for jail operations may increase. However, any additional expenditures would likely be small.

Explanation of Local Revenues: *Emergency Communications Services District Fund:* This bill authorizes two or more local units to adopt an ordinance establishing an emergency communications services district and beginning in FY 2016, requires all local units to belong to an emergency communications services district. The bill also provides that the designated local unit must establish an emergency communications services district fund. The fund is made up of fees imposed on parcels located within the geographic boundaries of a district and must be adequate enough to provide for proper development, operation, and maintenance of the district's emergency communications services system. Beginning in FY 2016, the bill provides that the funds remaining in the wireless emergency telephone system fund and the county or municipal wireline emergency telephone system fund must be transferred proportionately to the appropriate emergency communications services district fund. The bill provides that the funds transferred must first be used to pay any obligations owed to any bondholder, third parties or creditors under IC 36-8-16.

Penalty Provision: If additional court actions occur and a guilty verdict is entered, local governments would receive revenue from court fees. However, the amounts would likely be small.

Background Information: Effective July 1, 2015, this bill provides for the expiration of the statutes concerning the local monthly enhanced emergency telephone system fee and the statewide monthly wireless enhanced 911 fee. The current wireless emergency enhanced 911 fee is \$0.50 per phone per month, and the enhanced emergency telephone system fee for land line phones varies by county, from about \$0.40 to \$3.25 per phone per month. Revenues received from wireless emergency enhanced 911 fee and the emergency telephone system fee are provided in the table below.

Year	Revenue from E 911 fee*	Revenue from landline fee**
2005	\$24.1 M	\$42.15 M
2006	\$30.5 M	\$42.91 M
2007	\$32.2 M	\$45.17 M
2008	\$24.7 M	\$37.30 M
2009	\$27.4 M	Data not available
2010	\$28.3 M	Data not available
* Fiscal Year Revenue **Calender Year Revenue		

State Agencies Affected: DOC.

Local Agencies Affected: Trial courts, local law enforcement agencies.

Information Sources: Indiana Enhanced Wireless 911 Board, 317-234-2507; Vicky Pool, TOS, 317-232-6260; Debbie Gibson, SBA 317-232-2512; State Board of Accounts, *Report on the Expenditure of E 911 fees*.

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